

AGENDA



Thursday, August 7, 2008

**Item(s) to Set Public Hearing(s)
RECOMMENDATION FOR COUNCIL ACTION****Item No. 54**

Subject: Set a public hearing on the proposed property (ad valorem) tax rate for Fiscal Year 2008-2009 (Suggested dates and times: August 21, 2008, 6:00 p.m. and August 28, 2008, 6:00 pm, at Austin City Hall, 301 W. Second Street, Austin, Texas). (Related to item #4)

For More Information: Leslie Browder, Chief Financial Officer 974-2283; Greg Canally, Budget Officer, 974-2609.

State law requires that all taxing jurisdictions participate in the process of Truth-In-Taxation. When a proposed tax rate exceeds the lower of 100 percent of the effective rate or the rollback rate, the Council must adopt a maximum proposed tax rate that it will consider. State law requires that the vote to adopt a proposed maximum rate must be a roll call vote, indicating any absences from the dais.

The City Manager's Proposed Budget was based on an estimated tax rate because, under state law, the certified tax rolls that are necessary to calculate the tax rate are not available from the appraisal districts until the end of July. Therefore, when initially presented, the City Manager's Proposed Budget included property tax revenue at an estimated rollback tax rate of \$0.4028 per \$100 of taxable value.

Because the July certified tax rolls are now available, the City Manager can now present a confirmed proposed rollback tax rate for Fiscal Year 2008-2009 of \$0.4012 cents per \$100 of taxable value. The certified effective tax rate is \$0.3763 cents per \$100 of taxable value.

If Council votes to consider a maximum proposed rate that exceeds the effective rate of \$0.3763 cents per \$100 of taxable value, it must schedule and conduct two public hearings on the proposed tax rate. To comply with state law, staff recommends that the public hearings be conducted at 6:00 p.m. during the regularly scheduled Council meetings on August 21, 2008, and August 28, 2008. Both public hearings will be conducted in City Hall Council Chambers at 301 West Second Street.

Even though the Council votes to consider a proposed tax rate above the effective rate, the Council may, as a result of deliberations, adopt a tax rate at or below the rate stated in the published notices.